

EXHIBIT B

Impartial Analysis by the Local Agency Formation Commission for the South Yuba City Reorganization No. 315

On November 24, 2003, the Sutter County Local Agency Formation Commission (LAFCO) approved a proposal, initiated by the City of Yuba City, to annex 810± acres located along Highway 99 from Franklin Road south to Bogue Road and between Walton Avenue on the west and Railroad/Bunce Roads on the east. As part of the annexation, the territory will be detached from County Service Area "G" which contracts with Yuba City for fire protection services and the from the Consolidated Street Lighting District which provides street lighting services to unincorporated areas that are urbanized. A copy of the map of the annexation area is on file at the Sutter LAFCO office for review at 1130 Civic Center Boulevard, Yuba City CA.

Concerns that have been raised regarding annexation include the need to connect to the City's sewer and water systems; the need to install road and sidewalk improvements; which agency will provide fire and police services; and whether property taxes will be increased.

Yuba City does not require the connection to the City's water or sewer systems due to annexation, nor do they require that road or sidewalk improvements be installed. Improvements may be installed if a neighborhood desires and can be financed through the formation of an improvement district, which the City can assist in establishing. Improvement costs can be financed over 15-20 years.

Yuba City will continue to provide fire protection services as they do today.

Street lighting services will be paid for by the City upon annexation.

The City Police Department will assume law enforcement responsibilities for the annexation area. Police coverage by the City is provided by smaller police beats, therefore police coverage may improve.

Upon annexation, landowners living along streets that have curb and gutter will receive street sweeping services at no additional cost. Properties that may already be connected to the City's sewer or water systems through previous agreements will receive the lower utility rates provided to city residents. Annexation will provide residents access to sewer and water services should they become necessary in the future because of an onsite system failure, or if further development of their property is desired. Residents with functioning sewer and water systems will not be required to connect to the City's sewer or water system due to annexation.

Finally, annexation will not cause an increase in property taxes. Property taxes are regulated by State Law (Proposition 13) and are the same for both the County and City. The City and County have a tax exchange agreement in effect that specifies how existing property and sales tax dollars will be divided between the two governments.

A simple majority vote of the registered voters voting in the election is required in order to approve the proposal.

The above statement is an impartial analysis of Measure H. If you desire a copy of the measure, please call the Election's Office at 822-7122 and a copy will be mailed to you at no cost.